

SCHENECTADY'S EXPERIMENT IN CITY SOCIALISM

The Municipal Store, Farm, Ice Cart and Coal Wagon the Chief Ventures of the Rev. Dr. Lunn

The city of Schenectady takes pleasure in announcing that plans have been perfected whereby it can sell its coal at approximately "at cost" prices.

In event of the city being enjoined from selling coal as a city, arrangements have been perfected whereby George R. Lunn and Associates can carry on this sale until such time as the city is again permitted to do so.

In order to insure its citizens against loss resulting from any frolics the law may make on behalf of its interests, arrangements have been made whereby George R. Lunn and Associates will assume the trusteeship of all coal funds until the coal has been ordered delivered by the city.

Orders will be received at the Municipal Store, City Hall Annex, basement, beginning Wednesday, September 11, from 3 to 6 P. M. each day.

In case of city or George R. Lunn and Associates being unable to fill all orders on hand it is understood that cash will be returned in full immediately upon request. Respectfully,
CHARLES A. MULLEN,
Commissioner of Public Works.

THAT is a notice which appeared a short time ago in various public places in Schenectady.

The anti-Socialist citizens—and there are many of them—did not grasp nor rub their eyes nor say, "What are we coming to?" They merely glanced the notice through and said to themselves: "More of Lunn's Socialist rot and more of Mullen's Socialist grammar."

For the Socialists have been in control of the city government of Schenectady for nine months and in that time Schenectady has accustomed itself to many things that it never saw before, for instance, selling municipal coal. Moreover, the part of the City Hall annex which is directly under the Mayor's own office has been given over to the municipal grocery. They were selling potatoes there the other day, where the workmen of Schenectady earn a day's or a week's wages as municipal farmhands.

Beside these was the city's adventure in selling ice, which concluded with an injunction. This injunction the Mayor and his commissioners evaded, acting unofficially under the commercial style of "George R. Lunn and Associates"—the same body that Mullen mentioned in his municipal coal advertisement—and the business went on almost as before.

The anti-Socialist people of Schenectady have come to regard the Rev. Dr. Lunn's novel undertakings as things that must be borne and that will speedily pass away. Largely speaking, Schenectady is not making an experiment in

socialistic government, which call for the elimination of individualism and the substitution of it of collectivism in all the machinery of production and distribution. Schenectady has not tried them. The few cases in which the Socialists have leaned toward the major principles of their faith have been scarcely more than laboratory experiments. Except for the commercial enterprises into which Mayor Lunn has pushed the city his government has not gone beyond what many other cities in this State have attempted—cities which no one charges with being socialist—and in some instances his ambitions have not dared to carry him to what other New York State cities have already accomplished.

But there is plenty of interest in Schenectady as a temporary laboratory of socialism. You don't find many men there outside the ranks of the Socialists who admit that there is a chance of its going on as a socialist city after January 1, 1914, when the present administration goes out of office.

"The Socialists came in on a fluke," they say, "and they will go out by intention."

Socialism in Schenectady centres in the person of the Rev. Dr. George R. Lunn. Lunn controls the only Socialist newspaper in town and is its chief editor. He is the pastor of a Socialist congregation. He is the head and front of the copartnership which took over the municipal ice business when the Supreme Court forbade the city to go on with it. He is the man who dickers for cheap coal at the mines and arranges for its sale at out prices to the people. He is the adviser of the Socialists and head of the Socialist government of Schenectady. He is now Socialist candidate for Congress. The people of the city put at his door the very fact of socialism as it exists in Schenectady to-day.

"And now they are trying to get me out of town," he says. "I say that I will be elected to Congress, first, because my friends will vote for me; second, because the Socialists will vote for me; and third, because the rest of Schenectady will vote for me in order to get rid of Lunn."

Lunn came to Schenectady in 1904 to be pastor of the First Reformed Church, in which much of the money of Schenectady was represented. He came from

Ohio had proved to be no better than the Republicans, and both were declared to be bound up with the contractors.

The Schenectady Contracting Company, which had Democratic affiliations, and the Union Paving Company, which was friendly with the Republicans, became campaign issues in 1911. The people felt that the paving ring, as it was called, had both parties under its thumb and whichever got into power the paving ring would be boss. It was a case, the people thought, of "Heads you win, tails we lose."

The nominee of the Democrats was Charles H. Benedict, who had been Comptroller in the preceding administration. The Republicans put up William H. Herron, who had been president of the Common Council (which corresponds to the Board of Aldermen in New York) during the two previous administrations.

Then came Lunn. He already had a large popular following through his work in the United People's Church and its associated night meetings in the theatres. Standing on a Socialist platform, he got votes from Republicans and Democrats.



Auction of the City's Ice Business



Mayor George R. Lunn

schools under construction. He promised that the part time abuse should cease. The two new schools, which were planned by the city engineer, Mr. Warren, will help to eliminate the part time trouble. The schools are planned to cost about \$100,000 apiece and will have swimming pools and provision for out of door classes for tuberculous children.

Another project, which had nothing to do with socialism but nevertheless was new to Schenectady, was the park plan. Lunn sent to Cambridge and got John Nolan of Harvard to come to Schenectady and lay out a park system. At present Schenectady, a city of 80,000 people, has no public park whatever except the little plot at the top of State street hill, where the new county court house is being built. It is smaller than Union Square, and Lunn's administration determined that it should not be the only public park. The city has not yet bought the land for the new system, but Lunn promises that it will be done.

As far as these activities were concerned the people of Schenectady, how-

Practical Results of the Socialist Mayor's Administration and Public Opinion Concerning Them

own pockets to the extent of \$50 or \$100 apiece. Then he held a meeting in the playground behind the City Hall and collected \$500 from the people themselves in subscriptions. We collected \$2,000 besides. Many men earning \$15 or \$20 a week came forward with subscriptions to help clear up the deficit. It was understood all around that what money was handed over was a pure gift and that it wouldn't pay ice bills.

"Through all that time we went on selling ice at 25 cents a hundred pounds. The local dealers were charging 40 cents a hundred. At last we passed in the Common Council an ordinance which met the approval of the court by which the city was to sell its ice to the highest bidder at auction.

"The auction was held here behind the City Hall on the playground where the public meeting was held for raising ice subscriptions. It was bought in by Daniel J. Sweeney, a cigar manufacturer, for \$175. Sweeney was a friend of ours. He bound himself also to make good the loss to the city, which was about \$400. This was made up to Sweeney largely from the funds derived from the subscriptions.

"And so George R. Lunn and associates have been carrying on the city's ice business ever since, and before the end of the year we will be about square, counting in the subscription, and we have our motor truck besides.

"We intend to fight the injunction in the courts to the end. It strikes me that it is a delicate question whether the city, which is allowed to sell water when it is liquid, cannot sell it when it is frozen. If we can sell it in pipes above 32 degrees, why can't we sell it in chunks below 32 degrees? But if the courts finally say that the city cannot sell ice, George R. Lunn and Associates will do it and the people will benefit just the same."

The man who got the injunction was David Maxwell, an ice dealer and a Socialist. He got out of the organization after the city went into his line of business.

Down in the basement of the City Hall Annex, where the Mayor's office is, the municipal grocery store is located. Unlike the case with municipal stores which have been started in other cities, as for instance in Troy, any person is qualified to be a buyer. In Troy the municipal store is designed merely to give full value

for a basket of big potatoes from the municipal farm. On the shelves are staple groceries in original packages, many of them as high in quality as one can get from first rate grocers in New York. The counter is ten feet long and screened from the rest of the store by chicken netting is the ware room, where boxes of crackers and barrels of vegetables wait for somebody to open them.

"How's business to-day?" asks the Mayor.

"Good," says one of two men behind the counter.

"Usually we have only one man in the store," the Mayor explains. "We have to keep the expenses down. But at busy times we bring another man over from the ice cart to help out."

The purchasers who were in the store that morning were neatly dressed women who looked as though they knew how to strike good bargains. They were fingering their money and their purchases were made with forethought. Sometimes the municipal dietitian, Mrs. Margaret Wade, is in the store to guide the people in buying such groceries as go furthest in nourishment for the least outlay.

The municipal coal business started with a boom, but there were complications from the standpoint of the city. Within two weeks of the time that Mullen, the Commissioner of Public Works, posted his notice saying that the city was going into the coal business orders had come to the municipal store for more than 1,000 tons. The city had already agreed with local dealers to buy upward of 5,000 tons of coal for heating schools and public buildings during the winter. Lunn proposed to use some of this coal to fill orders and then make up the difference from outside dealers if necessary.

The Schenectady coal men told Lunn that if the city sold a ton of coal which they supplied they would shut down on their contracts and the city buildings could run cold for all they cared. Lunn's reply was to visit the coal fields in Pennsylvania in an endeavor to contract directly with the producers. He also told the dealers that if they refused to supply the city with coal he would sue under the anti-trust law.

Lunn's visit to Scranton resulted in a promise from a wholesaler there to sell the city as much coal as it wanted.

"When I got to Scranton," said Lunn, "I found that the wholesalers there had held a meeting the day before of representatives from the Troy-Albany-Schenectady district. One dealer whom I had supposed was friendly told me he couldn't sell us coal because of 'pressure'."

"Nevertheless we have posted prices which are 50 cents a ton lower than the Schenectady dealers are selling it at present. Later on, after we have got the business under way, we will sell it, I hope, much lower—perhaps a dollar or a dollar and a half a ton below what the dealers quote."



Inside the Municipal Grocery Mrs. Margaret Wade, Municipal Dietician at the Counter



MAYOR LUNN AND HIS ADVISERS

Standing, from left to right—Paul Wilson of the Bureau of Municipal Research, New York; Philip Andres, City Treasurer; W. Thomas Woolley, City Engineer; Charles W. Noonan, organizer of Socialist party in Schenectady and Alderman from Seventh ward; Robert Bruere of New York; John L. Myers, Comptroller; Dean Langmuir, Deputy City Comptroller; Walter Lippmann, former executive secretary to Mayor Lunn; Frank Cooper, Corporation Counsel.
Sitting, from left to right—John Cole, Commissioner of Public Safety; Dr. William P. Faust, former City Health Officer; Walter Kruel, Commissioner of Charities; Mayor George R. Lunn; Mayor Emil Seidel of Milwaukee; Henry Bruere, budget expert of the Bureau of Municipal Research of New York; Morris Hillquit.



Robert A. Dehann, THE FORMER MINISTER DRIVING A STREET CLEANING DEPARTMENT WAGON

socialism at all. Mayor Lunn is the first one to tell you of limitations which make a trial of socialism impossible.

The charter of Schenectady prevents us from doing the things we would like to do. Indeed, it prevents us from doing some of the things that many other progressive cities in this State are allowed to do," he said.

The capture of a city or even of a dozen cities will not establish socialism. Nevertheless, I believe that the Socialists must begin their work in the cities. Our hope lies in showing the people what an honest, workingman's administration will do, and then we may expect to gain a hold on the Legislature, which in turn will give the cities the right to govern themselves according to Socialist principles."

The fact is that Schenectady, for all that it is governed by Socialists, has had only four strictly Socialist ventures in operation—the municipal store, the municipal farm, the municipal ice cart and the municipal coal wagon. These are the only commercial enterprises upon which the city has embarked.

One of them, the ice business, it has had technically to give up. An answer came in an injunction against the store is returnable on January 1, and the Mayor and his commissioners expect trouble from the sale of municipal coal.

The city has undertaken a number of other projects aimed at bettering popular conditions, notably the creation of a park system, for Schenectady's parks at present are limited to a single public square in front of the arsenal; an extension of the functions of the health authorities, the creation of a proper garbage removal service, and the purchase of a municipal paving plant. The last item Mayor Lunn has had to abandon, but he has induced the local paving companies to do their work for a dollar a square yard less than they charged for the same job a year ago.

As for the larger elements of a strict

the Lafayette Avenue Presbyterian Church of Brooklyn, where he was assistant pastor. While he was there he married a niece of A. Augustus Healy, a director in the Central Leather Company and interested in many other corporations. Lunn had been a student at a small college near Omaha and had studied a little political science at Princeton. Before his year was out he enlisted for service in the Spanish war and fell ill with typhoid. When he recovered he went to the Union Theological Seminary in New York, whence he took the assistant pastorate in Brooklyn.

For a time Lunn's pastorate in Schenectady was quiet enough, but as time wore on he began to hammer at corporations and to declaim for socialism. Trustees of the First Reformed Church tell you that they would not have minded occasional talks on socialism but that after a while Lunn was unable to preach anything else.

Men began leaving the church, some because they were angry at Lunn's personal attacks, some because they couldn't swallow socialism, and some because they were bored. After a time the session voted in favor of his resignation, and when Lunn's suggestion the vote was put to a referendum the congregation agreed, and Lunn went to the Jay Street Congregational Church, the name of which was changed to the United People's Church. Services are still held there, with meetings at night in Schenectady theatres. Lunn still preaches.

The time was ripe a year ago this fall for a third party in Schenectady politics. Republicans and Democrats alike tell you that almost any third party would have won, and it happened to be the Socialists who got the benefit of the situation. From 1897 to 1909 the Republicans were in power, under Mayor Horace S. Van Voast. Then the Democrats came in under Dr. Charles Duryea. The people were dissatisfied with both administrations. The Demo-

"He's very much in earnest," said the voters. "Let's give him a chance and see what he'll do for us. We can't be any worse off anyhow."

Those same voters tell you that they will not vote for the Socialists again. But in the same breath they say that there is no suspicion of dishonesty in the administration of public affairs in Schenectady and in so far as money has been spent for purposes which the rank and file believe to be within the legitimate functions of a city government it has been well spent. They point to the success with which Lunn has out of the velvet on paving contracts.

The Schenectady Contracting Company, bidding with the Union Paving Company on repair work for the city, recently offered to patch holes in the asphalt for \$1.16 a square yard. This was exactly \$1 less than the same work had been done for in the previous administration. The Union Paving Company's bid was \$1.28 a square yard, against its previous charge of \$2.20. The Schenectady Contracting Company got the job and is now doing it. The anti-Socialists say that this is the one real success of the Lunn administration.

Fighting on this active issue Lunn won an easy victory over the other candidates, whose party ties were to say the least dubious. His total vote was 6,535, a plurality of 2,062 over Charles H. Benedict, the Democratic candidate. The Republican was well to the rear.

Besides the paving issue there were others of greater essential importance but without enough pressing interest to set the electorate to thinking what they meant. The Socialist platform, for instance, declared the allegiance of the Schenectady voters to the principles of socialism, including the public ownership of public utilities. The Lunn administration has done nothing to accomplish this socialistic ideal.

"We can't do a thing about that," said



Charles W. Wood, EDITOR OF MAYOR LUNN'S PAPER "THE CITIZEN"

Mayor Lunn, "until the charter is changed and that will mean the capture of the Legislature by the Socialists."

And nobody thinks that that is imminent. There were a number of abuses in the Schenectady local government which were subject to correction under any vigorous government, be it Socialist, Republican or Democratic. Some of them the Lunn administration has attacked. Garbage collection was one of them.

"The garbage collection service was chaotic," said Mayor Lunn. "We pledged ourselves to straighten it out. There is a system of private collection whereby any man with a wagon can collect garbage by paying a license fee of \$50. The result is that the wealthy citizens have their garbage taken away and the poor citizens have to throw it into the streets. We have experts now looking the matter over and we expect to install a municipal incinerator and have a system of city collection."

Lunn's administration has two new

ever hostile to the idea of socialism, had no ground of complaint against acts of the Lunn administration. But along with these new plans for civic improvement went others of a fantastic sort. This is Mayor Lunn's own story, as he told it for THE SUN, of the city's venture in selling ice:

"We began within a short time of getting into office to start up the municipal ice business. We organized it in January, placing it under the Department of Charities. We intended that ice should be free to the poor and at cost to others.

"There was no objection at first, not even when deliveries began. We sold only for cash. The ice came from the Mohawk and was stored in municipal ice-houses. No hostility developed until the business began to show a profit and then trouble came all of a sudden and at a most inconvenient time.

"At 8:30 o'clock on the afternoon of July 8, with a holiday and hot weather upon us, Justice Rudd of the Supreme Court granted an injunction under which the city was enjoined absolutely from selling ice. Within half an hour the officials of the city government met here in my office. I told them that a thousand families were depending upon the municipal ice service, that the regular dealers would not take care of them and that the Supreme Court would not let us get at our own supply. We thereupon formed a sort of a company, 'George R. Lunn and Associates,' and cast about to see what we could do.

"We arranged with an ice dealer in Troy named Shaughnessy, to have ice on our routes by the next morning. It had to be brought over by motor truck all the way from Troy and the ridiculous part of it was that we had two thousand tons of our own ice right here in Schenectady.

"Of course it was an expensive undertaking, but we had to do it for the sake of the people who were dependent upon us. The officials went down into their

to applicants for city charity, who receive orders on the storekeeper instead of cash. But the only thing that limits the patronage of the Schenectady store is the fact that there is no delivery service. Women who trade there have to pay cash and take their things home.

"The store is running ahead," said Mayor Lunn. "It is still a municipal undertaking, though efforts have been made to put a stop to it. The money with which the original stock was bought was city money, and where credit was used it was city credit. Now the store is running ahead—it is making a little money. The purpose is to give the people good goods for the least possible money—the elimination of the middleman."

"We have found this further advantage in the municipal store, that it insures full value in groceries to city dependents. The Charities Department issues an order, for instance, for \$1.50 on the municipal store. It issues no orders on other stores. In the old days when an order for \$1.50 was given to a poor family the head of the house took it out and had it cashed in the corner saloon and picked up a few drinks in the process. It is next to impossible to do that now with a municipal order. The person to whom it is issued takes it to the municipal store, and for the \$1.50 face value of it gets at least \$1.85 worth of goods. If anybody uses these orders to get drunk with, we don't know it."

The city administration had a legal spat with a dependent veteran who wanted to trade elsewhere than at the municipal store. He declared that he had a right under the law to an order good anywhere, but Lunn's men held out and the municipal store did the business and is doing it now.

The municipal store is a strange place. Across the front of the brown building in which it does business is the label "City Hall Annex," and down at the right, precisely under the windows of Mayor Lunn's outer office is the smaller legend "Municipal Store." Once inside you stum-

This is what Mullen said in his statement about coal prices:

Coal delivered by the city will commence on or about October 1. The prices will be as follows: on well screened coal of best quality:

Pea coal, in lots of one or more tons, \$5. Chestnut coal, in lots of one or more tons, \$6.50.

Stove and egg coal, in lots of one or more tons, \$6.25.

These prices cover coal delivered to any part of the city. A lower price is not made at the present time due, first, to the fact that the administration owing to the lateness of the season has had to contract for coal at considerably above regular wholesale prices and, second, to the fact that considerable equipment has to be purchased, which equipment will have to be paid for from proceeds of coal, owing to no provisions being made in budget for same.

It is believed that by the end of the year a further reduction of fifty cents (\$.50) per ton can be safely made, with a still further reduction of fifty cents (\$.50) on April 1, 1914.

In speaking of the municipal ventures in coal selling and the ice business, a Schenectady business man said that the effect of Lunn's activity had been felt seriously by the ice dealers.

"I have heard directly and indirectly," he said, "that some of them were very much hurt. Others weathered the storm with the expectation of going on as usual later on. Of course you can't tell how long the storm will last, but I give it fifteen months more."

"I don't see why a city should go into business and drive honest merchants out of it. I am told that while the ice men held firmly to their ostensible price of 40 cents a hundred orders went out to their delivery men that when they were told to put fifty pounds into a refrigerator they were to wink and put 100 pounds in instead and charge only for the fifty pounds."

Likewise the coal dealers quoted their

Continued on Sixth Page.